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In the Supreme Court of the United States

OCTOBER TERM, 1974

No.

C. MARSHALL DANN, COMMISSIONER OF PATENTS,
PETITIONER

v.

HONEYWELL, INC.

PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

The Solicitor General, on behalf of the Commissioner of Patents, petitions for a writ of certiorari to review the judgment of the United States Court of Customs and Patent Appeals in the above-captioned case.

OPINION BELOW

The opinion of the Court of Customs and Patent Appeals (App. A, *infra*, pp. 12–29) is reported at 497 F. 2d 1344. The Opinion of the Trademark Trial and Appeal Board is reprinted at Appendix C, *infra*, pp. 31–39.

JURISDICTION

The judgment of the Court of Customs and Patent Appeals (App. B, *infra*, p. 30) was entered on May 23,

1974. On August 22, 1974, Mr. Justice Marshall extended the time for filing a petition for a writ of certiorari to and including October 20, 1974. The jurisdiction of this Court is invoked under 28 U.S.C. 1256.

QUESTION PRESENTED

Whether the owner of a design patent is entitled to federal registration of the patented device as a trademark after the term of the patent has expired.

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

Article I, Section 8, clause 8, of the Constitution of the United States provides:

> The Congress shall have Power * * * To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

Section 171 of the Patent Act of 1952, 66 Stat. 805, 35 U.S.C. 171, provides:

> Whoever invents any new, original and ornamental design for an article of manufacture may obtain a patent therefor, subject to the conditions and requirements of this title.
>
> The provisions of this title relating to patents for inventions shall apply to patents for designs, except as otherwise provided.

Section 45 of the Lanham Act, 60 Stat. 443, as amended, 15 U.S.C. 1127, provides in pertinent part:

> The term "trade-mark" includes any word, name, symbol, or device or any combination thereof adopted and used by a manufacturer or

merchant to identify his goods and distinguish them from those manufactured or sold by others.

STATEMENT

Design patents protect ornamental, nonfunctional, new and non-obvious features and configurations of useful articles. See 35 U.S.C. 171.[1] In 1956, Honeywell, Inc. obtained a design patent on the ornamental design of a round thermostat cover plate it describes as the "Honeywell Round." During the fourteen year term of this patent, respondent had the right to exclude others from selling, making and using the patented invention. See 35 U.S.C. 154, 173.

Approximately sixteen months prior to the expiration date of the patent, respondent filed with the Patent Office an application, Serial No. 306,776, for registration of the Honeywell Round cover plate as a trademark on the Principal Register.[2] The trade-

[1] In contrast to design patents, functional or utility patents protect the mechanically functional or useful features of a process, machine, article of manufacture or composition of matter. 35 U.S.C. 101.

[2] The Lanham Act provides for federal registration of trademarks on either the Principal or the Supplemental Register. A trademark can be registered on the Principal Register if it is inherently distinctive or, if not inherently distinctive, if it has acquired secondary meaning. Any trademark which is capable of distinguishing an applicant's goods or services from those of others may be registered on the Supplemental Register, even though it lacks secondary meaning and distinctiveness. Registration on the Principal Register is prima facie evidence of the registrant's ownership and exclusive right to use the mark and it is constructive notice to the world of the registrant's ownership. See 15 U.S.C. 1057(b), 1072 and 1091; See also 15 U.S.C. 1065. The primary purpose of the Supplemental Register

mark was described in the application as consisting "of the arbitrary and unique combination of an outer cover ring of a thermostat and a center disk positioned concentrically within said ring, said ring and disk comprising a portion of the configuration of a thermostat" (R. 11). Honeywell concedes (R. 12–15) that these features were protected by the original design patent.

The Trademark Examiner refused registration on the ground that the configuration was functional and therefore "incapable of performing the trademark function * * *" (R. 35). The Trademark Trial and Appeal Board affirmed. It ruled that "the registration sought by applicant would extend the monopoly which the applicant has enjoyed for a period of fourteen years from the issuance of the design patent * * *" (App. C, *infra*, p. 36).[3]

The Board reasoned that registration "would be inconsistent with the right of others under the terms of the patent grant to make fair use of the ornamental design for control instruments including thermostats after the expiration of the patent * * *" (App. C, *infra*, p. 37). It rejected respondent's evidence of secondary meaning on the ground that the configuration could not function as a trademark regardless of secondary meaning without illegally extending the design patent monopoly (App. C, *infra*, p. 39). It

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is to enable an American firm to obtain foreign trademark registration. See 4 Callmann, *Unfair Competition, Trademarks and Monopolies*, § 98.1(b), p. 627 (3d ed.).

[3] The Board expressly declined to consider whether registration was improper because the configuration was functional.

distinguished a prior decision of the Court of Customs and Patent Appeals, *Application of Mogen David Wine Corporation*, 328 F. 2d 925 (C.C.P.A.), which had required registration for a configuration previously protected by an expired design patent (App. C, *infra*, p. 39).[4]

The Court of Customs and Patent Appeals reversed. The Court, relying on its prior decision in *Mogen David, supra*, held that the subject matter of an expired patent may be registered as a trademark under the Lanham Act (App. A, *infra*, p. 24). It expressly found that its decision in *Mogen David* was not in conflict with several prior decisions of this Court including *Singer Mfg. Co.* v. *June Mfg. Co.*, 163 U.S. 169, *Kellogg Co.* v. *National Biscuit Co.*, 305 U.S. 111, *Scott Paper Co.* v. *Marcalus Mfg. Co.*, 326 U.S. 249, because, in its view, those cases involved functional features of utility patents (App. A, *infra*, p. 23). In contrast, *Mogen David* dealt with the non-functional features of an expired design patent.[5]

The court observed that the trademark laws are designed to protect the public from deception, mistake or confusion when they purchase goods or services and to protect the integrity of the product identity of the

[4] The Board noted that respondent seeks to register the design of the product itself while in *Mogen David*, registration was sought for the configuration of a product container, *viz.* a wine bottle.

[5] A primarily functional configuration, *i.e.*, a configuration dictated by functional or utilitarian, rather than arbitrary or ornamental considerations, cannot be protected by a trademark since anyone seeking to use the product must use the configuration. See, *e.g.*, *Best Lock Corporation* v. *Schlage Lock Company*, 413 F.2d 1195 (C.C.P.A.)

trademark owner, while designs are patentable in order to encourage the invention of ornamental designs (App. A, *infra*, p. 21). It concluded: "With that distinction in mind, * * * the public interest—protection from confusion, mistake, and deception in the purchase of goods and services—must prevail over any alleged extension of design patent rights when a trademark is non-functional and does in fact serve as a means to distinguish the goods of the trademark owner from those of others" (*ibid.*). The court remanded the case to the Board for a determination whether the configuration is primarily functional (App. A, *infra*, p. 24).[6]

REASONS FOR GRANTING THE WRIT

This case presents an important question concerning the relationship between the Patent Act and the Lanham Act. Under the decision of the court below, the holder of a design patent can, upon the expiration of the patent, indefinitely exclude the public from using the subject matter of the patent by registering that subject matter as a trademark.[7] The decision and its consequences are "counter to the policy and purpose of the patent laws" (*Scott Paper Co.* v. *Marcalus Mfg. Co.*, *supra*, 326 U.S. at 256), as interpreted by prior decisions of this Court. The decision also directly conflicts with the decision of the court of appeals for the Second Circuit in *Lucien Lelong, Inc.*, v. *Lander Co.*, 164 F. 2d 395 (C.A. 2).

[6] Judge Rich, although concurring, expressed doubt about respondent's assertion that the configuration is non-functional.

[7] A trademark registration can be renewed every twenty years. See 15 U.S.C. 1058.

1. Art. I, Sec. 8, cl. 8 of the Constitution empowers Congress "To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." Pursuant to this authority Congress has provided in the Patent Act for grants to inventors of the right for a limited period to exclude others from the use of their invention. *Sears, Roebuck & Co.* v. *Stiffel Co.*, 376 U.S. 225, 229–231. The limited monopoly conferred by a patent carries with it certain obligations designed to protect the interests of the public. Thus, "the prerequisites to obtaining a patent are strictly observed" and the "limitations on its exercise * * * strictly enforced." *Id.* at 230. Finally, and most importantly for purposes of this case, "* * * when the patent expires the monopoly created by it expires, too, and the right to make the article—including the right to make it in precisely the shape it carried when patented—passes to the public." *Ibid.*

This Court has repeatedly held that once the term of a patent expires, the subject matter of the patent is dedicated to the public and the patentee may no longer exclude others from using that subject matter. See, *e.g.*, *Singer Mfg. Co.* v. *June Mfg. Co.*, *supra*, 163 U.S. at 185–186; *Kellogg Co.* v. *National Biscuit Co.*, *supra*, 305 U.S. at 117–122; *Scott Paper Co.* v. *Marcalus Mfg. Co.*, *supra*, 326 U.S. at 253–256; *Sears, Roebuck & Co.* v. *Stiffel Co.*, *supra*, 376 U.S. at 229–231; *Compco Corp.* v. *Day-Brite Lighting, Inc.*, 376 U.S. 234, 238; *Brulotte* v. *Thys Co.*, 376 U.S. 29, 31–34.

The patent monopoly cannot be extended beyond the expiration date of the patent "whatever the legal device employed * * *" *Scott Paper Co., supra*, 326 U.S. at 256. Thus, the monopoly cannot be extended by contract, *Brulotte* v. *Thys Co., supra* (patentee cannot collect royalties after the expiration of a patent), principles of estoppel (*Scott Paper Co., supra*),[8] or by reliance on the law of unfair competition (*Kellogg Co.* v. *National Biscuit Co., supra*), including claims of trademark infringement. *Lucien Lelong, Inc.* v. *Lander Co., supra.*

2. The decision of the court below permitting the use of trademark registration under the Lanham Act to extend a patent monopoly beyond the expiration of a patent violates the policies of the Patent Act because it deprives the public of the principal benefit which it is entitled to receive in exchange for the grant of a patent monopoly—the right freely to use the subject matter of the patent upon expiration of the patent's term.[9] It also conflicts with the Second

[8] In *Scott Paper Co., supra*, this Court held that the assignor of a patent was not estopped by his assignment from defending an infringement action on the ground that the alleged infringing device was that of an expired patent.

[9] The monopoly conferred by a patent and the protection conferred by trademark registration do differ in the degree of exclusivity afforded. A patentee may exclude others from any use of the patented article while a trademark precludes only uses resulting in product confusion. See, *e.g., Haig & Haig, Ltd.* v. *Maradel Products, Inc.*, 249 F. Supp. 575 (S.D.N.Y.). Where, however, as here, a firm seeks to register the product itself as a trademark, the protections of the Patent Act and the Lanham Act are essentially coextensive.

Circuit's decision in *Lucien Lelong, supra*, and is contrary to the result in this Court's decision in *Kellogg Co., supra.*

In *Lucien Lelong, supra,* the plaintiff, a holder of an expired design patent concerning the shape of a bottle used as a package for cologne, sought to restrain a competitor from using the shape on the ground that such use violated plaintiff's common law trademark right in the shape of the bottle. The plaintiff specifically contended that secondary meaning—protected by the law of trademarks—had been acquired during the life of the patent. This claim of protection was rejected by the court of appeals as "a novel and sweeping claim, which would seem to run counter to the policy and purpose of the patent laws." 164 F. 2d at 397. The court observed that "[d]uring the life of a patent a purchaser will naturally associate the product with the producer, since the patent prevents others from producing," but the court held, "* * * such association does not furnish justification for an extension of such protection unlimited in time." 164 F. 2d at 398.[10]

In *Kellogg Co.* v. *National Biscuit Co., supra,* National Biscuit, claiming unfair competition, sought to

[10] Although *Lelong* involved a common law trademark, the Second Circuit's rationale is equally applicable to this case. The Lanham Act, like its predecessor statute, recognizes common law trademark rights. See, *e.g., Armstrong Co.* v. *Nu-Enamel Corp.*, 305 U.S. 315, 324; *Clairol Incorporated* v. *Gillette Company*, 389 F. 2d 264, 267–268 (C.A. 2); *Turner* v. *HMH Publishing Co.*, 380 F. 2d 224 (C.A. 5). Honeywell, like the plaintiff in *Lelong*, relies on the period of its patent protection to establish secondary meaning.

enjoin Kellogg from selling shedded wheat in pillow shape form. The pillow shape had been the subject of a design patent, and this Court held that upon the expiration of the patent, the shape was dedicated to the public, and Kellogg was thus "free to use the pillow-shaped form, subject only to the obligation to identify its product * * *" 305 U.S. at 120.

The court below distinguished *Kellogg* on the ground that it involved functional features of an expired patent whereas both *Mogen David* and this case permit registration of only non-functional features. We submit that *Kellogg* cannot be so distinguished. While this Court referred to the pillow shape form as "functional" (305 U.S. at 122), the reference was not related to the extension of the patent monopoly issue but to the question of Kellogg's obligation to avoid confusing its product with that of National Biscuit. Thus, because Kellogg's carton was distinctive and because the shape was "functional", this Court concluded that Kellogg had no obligation to use another shape as a means of avoiding product confusion.

The distinction between functional and non-functional features is irrelevant to the determination whether the public's use of an article is consistent with the policies and provisions of the patent laws. *Compco Corp.* v. *Day-Brite Lighting, Inc., supra,* 376 U.S. at 238. The fact that a device is non-functional may of course be a factor in assessing obligations under principles of unfair competition or state labelings laws. Indeed, Honeywell and other firms which seek to manufacture and sell the device at issue here

may be obligated to affix a label bearing their identifications in order to avoid confusion. This does not, however, "* * * furnish a basis for imposing liability for or prohibiting the actual acts of copying and selling." *Ibid.*

Trademark registration is not necessary to prevent the possibility of product confusion, and as shown above, registration of the subject matter of an expired patent is fundamentally contrary to the policies of the Patent Act. The decision of the court below in permitting trademark registration frustrates those policies and deprives the public of its right freely to use the subject matter of an expired patent.

CONCLUSION

For the reasons stated, it is respectfully submitted that the petition for a writ of certiorari should be granted.

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OCTOBER 1974.

APPENDIX A

UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

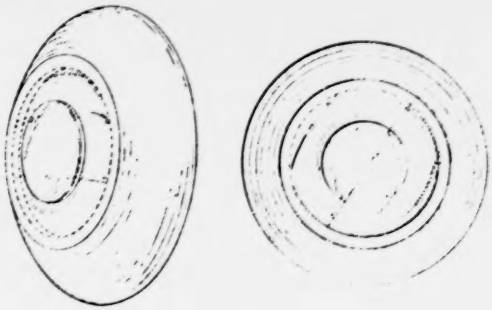
IN THE MATTER OF THE APPLICATION	)	Patent Appeal No. 8994.
OF	)	
HONEYWELL, INC.	)	Serial No. 306,776.

Decided: May 23, 1974

BALDWIN, Judge.

Honeywell Incorporated appeals from the decision of the Trademark Trial and Appeal Board, 169 USPQ 619, refusing registration of a configuration of a portion of a thermostat, as a trademark for thermostats, on the Principal Register.

The application,[1/] alleging use since 1952, seeks registration of the following:



1/ Serial No. 306,776, filed September 6, 1968.

A smooth outer cover ring, or "decorator ring," and a center disc positioned concentrically therein are depicted. These features were a portion of the subject matter of an expired design patent[2/] which the appellant had owned.

The trademark examiner had refused registration on the ground that the configuration was incapable of functioning as a trademark within the meaning of the statute since the outer ring and center disk were merely functional in nature and dictated by the configuration of the thermostat itself. The examiner contended that the configuration "is so fundamentally functional and utilitarian that the matter applied for is incapable of acquiring a legal recognizable secondary meaning or of becoming an enforceable trademark." The examiner had also mentioned that "[t]he fact that applicant has secured a design patent . . . covering the shape does not enhance applicant's attempt to secure trademark protection for the same subject matter."

The board chose to rely only upon appellant's prior design patent to sustain the examiner's refusal of registration and stated:

2/ Des. Pat. No. 176,657, patented January 17, 1956, for a term of 14 years. However, at the time of filing their application for registration of a trademark, the design patent had not expired.

Apart from any consideration as to whether applicant's configuration is essentially functional in character because it is formulated or designed to cover a room thermostatic device and is so arranged that the essential operating and temperature controlling and indicating mechanisms are visible to the operator thereof, registration must be refused on the ground that the registration sought by applicant would extend the monopoly which the applicant has enjoyed for a period of fourteen years from the issuance of the design patent on January 17, 1956. Applicant's design patent, which covered during the pendency of the subject application, protected applicant for the fourteen year period against another's making, using or vending a control instrument including a thermostat utilizing the ornamental mark is disclosed therein, admittedly substantially identical to the subject matter of the instant trademark application. Under Section 7(b) of the statute, a registration on the Principle Mark Register affords the owner thereof, inter alia, prima facie evidence of the registrant's ownership of the mark and exclusive right to use the mark in commerce in connection with the goods recited therein, and hence by reason thereof, the right to exclude others from the use and registration of the same or a similar design for similar goods during the life of the registration which is subject to renewal every twenty years. Since applicant's design patent expired in 1970, it is apparent that the issuance of a registration for the same subject matter, including the same mark and goods, would be inconsistent with the rights of others under the terms of the patent grant to make fair use of the ornamental design for control instruments including thermostats after the expiration of the patent and that it would serve, in effect, to extend the protection accorded the patented design contrary to the purpose and intent of the patent law

FN 6001

Before the board, appellant had argued that the decision of In re Mogen David Wine Corporation, 51 CCPA 1260, 328 F.2d 925, 140 USPQ 575 (1964), was determinative of the "extension of monopoly" issue upon which the board later based its decision. In Mogen David this court held that trademark rights exist independently of the rights resulting from the grant of a design patent, and that these trademark rights do not extend the patent rights. However, the board distinguished Mogen David from the case before it by stating:

> The Mogen David case relied on by applicant is clearly distinguishable from the instant case in that the applicant was seeking to register the subject matter of the design patent, namely, the design or configuration of a bottle or container for a product contained therein, namely, wine and not for a bottle or container, per se, whereas here applicant is seeking to register the design of the product for the product itself.

OPINION

Request for Dismissal

Before addressing ourselves to the merits of this appeal, we must first consider a jurisdictional issue raised by the solicitor. Since this is a jurisdictional matter it is proper to raise it at any time. The solicitor calls to our attention that appellant has presented only one reason of appeal, which

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concerns the alleged error of the board in its interpretation of the Mogen David decision as applied to the facts of this case. Since the examiner had refused registration on the additional ground of functionality, which the board's decision did not explicitly reverse, the solicitor, apparently relying upon the rule formulated in In re Wagenhorst, 20 CCPA 991, 64 F.2d 780, 17 USPQ 330 (1933) and expounded upon in In re Boyce, 32 CCPA 718, 144 F.2d 896, 63 USPQ 80 (1944), submits that the examiner's position on that issue must be viewed as having been affirmed by the board. Accordingly, the solicitor urges that appellant's failure to file a reason of appeal[3/] challenging the propriety of that ground of refusal does not fulfill the minimum requirements of the statute[4/] for perfecting appeals to this court. Therefore, the solicitor, citing two additional patent cases, In re Gruschwitz, 50 CCPA 1498, 320 F.2d 401, 138 USPQ 451 (1963) and In re Dichter, 27 CCPA 1060, 110 F.2d 664, 45 USPQ 91 (1940), requests dismissal of this appeal.

We hold this request to be without merit inasmuch as the instant case is not a patent case; nor does it involve multiple rejections which were presented in the cases relied upon by the solicitor. There was a single refusal of

3/ The reason of appeal filed reads:
"The board erred in its decision by narrowly construing the decision in In re Mogen David Wine Corporation, 140 USPQ 575 (CCPA 1964), to wit, that the subject matter of a design patent may be a trademark for goods other than the design patent subject matter, but may not be a trademark for the design patent subject matter."

4/ 15 U.S.C. 1071.

registration of a single alleged mark by the examiner. The board affirmed that refusal. The single reason, though perhaps not artfully drawn and unduly specific in referring to the Magen David decision, when carefully read unquestionably states that the board erred in its decision that appellant cannot have a trademark registration for subject matter on which it had a design patent because such subject matter cannot be a trademark. The facts of this case which are of record show that what appellant is seeking to register was a portion of the subject matter of its design patent. The reason of appeal clearly brings before us the question of the registrability of that subject matter. The appeal, after all, is from the decision of the board, not the supporting reasoning in its opinion. There was one decision of unregistrability here and one reason of appeal -- even though unnecessarily detailed -- which is enough to bring it before us.

In recent years this court has liberally construed the requirement for reasons of appeal and a continuance of that policy dictates that we decline the Patent Office invitation to dismiss on a technicality.

For these reasons we hold that appellant's single reason of appeal was sufficient to perfect its appeal to this court.

Extension of Patent Rights

Since the board predicated its decision solely upon appellant's prior design patent and expressed no opinion on the examiner's functionality reasoning, and that issue has not been briefed here, we treat herein only the design patent issue and intimate no view on whether or not appellant's trademark is functional.

The solicitor has presented for our consideration a chain of authorities -- Singer Manufacturing Co. v. June Manufacturing Co., 163 U.S. 169 (1896); Kellogg Co. v. National Biscuit Co., 305 U.S. 111 (1938); and Scott Paper Co. v. Marcalus Manufacturing Co., 326 U.S. 249 (1945) -- which is said to stand for the principle that under the patent law, upon the expiration of a patent, the public may freely exercise its right to make, use, and sell the subject matter that was once protected by the patent grant. Therefore, the solicitor argues that registration of appellant's trademark would serve to extend the rights to exclude that had existed during the life of appellant's patent, contrary to the purpose and intent of the patent law. While we agree that the above principle is substantially

correct;[5/] the application of that principle will not always lead to the result urged by the solicitor. We believe the solicitor has failed to draw a crucial distinction between functional subject matter disclosed in utility patents and subject matter disclosed in design patents, which may or may not be functional, in the context of their relationship with trademarks. We believe that the decisions of this court have correctly recognized this distinction and are in harmony with the holdings of the Singer, Kellogg and Scott Paper decisions relied upon by the solicitor.

When federal trademark rights have been sought for functional subject matter disclosed in a utility patent, the decisions of this court, notably Best Lock Corp. v. Schlage Co., 56 CCPA 1472, 413 F.2d 1195, 162 USPQ 552 (1969), In re Shenango Ceramics, Inc., 53 CCPA 1268, 362 F.2d 287, 150 USPQ 115 (1966), In re Shakespeare Company, 48 CCPA 969, 289 F.2d 506, 129 USPQ 323 (1961), and In re Deister Concentrator Company, Inc., 48 CCPA 952, 289 F.2d 496, 129 USPQ 314 (1961), indicate that the acquisition of such rights will not be allowed in view of the "overriding public policy of preventing their monopolization,

5/ In In re Deister Concentrator Co., 48 CCPA 952, 962, 289 F.2d 496, 501, 129 USPQ 314, 319 (1961), we stated that:

> "* * * it being basic to the patent system that the public may copy when the term of a patent comes to an end, with certain exceptions. However, the right to copy is not derived in any way from the patent law; it is a right which inheres in the public under the general law except to the extent the (cont'd)

of preserving the public right to copy." In re Deister Concentrator Company, Inc., supra. These decisions turned upon the question whether or not the subject matter, for which federal trademark protection was sought, was of a functional nature, i.e., in essence utilitarian or dictated for reasons of engineering efficiency. The utility patent present in each of those cases was used as evidence of the functionality of the involved subject matter. Since the subject matter was found to be functional, registration was denied. The results reached in these cases are clearly consistent with the principle of Singer, Kellogg and Scott Paper.

Where the solicitor and this court differ is in the application of the principle of Singer, Kellogg and Scott Paper when federal trademark rights are sought for non-functional subject matter which may be disclosed in a design patent. The solicitor urges that the same result -- a refusal to register the subject matter as a trademark on the ground of an impermissible extension of rights -- must occur under these circumstances. We cannot agree with this result. In Mogen David we explicitly held:

> In our opinion, trademark rights, or rights under the law of unfair competition, which happen to continue

5/ (continued)

> patent law may remove it. The same is true of copyrights. When a temporary incursion on the public right ends, the public right remains. No new right is born."

> beyond the expiration of a design patent, do not "extend" the patent monopoly. They exist independently of it, under different law and for different reasons. The termination of either has no legal effect on the continuance of the other. When the patent monopoly ends, it ends. The trademark rights do not extend it.

That holding recognized the clear distinction between the underlying bases of the federal trademark and design patent laws. Federal design patent laws were created to encourage the invention of ornamental designs. Federal trademark laws, which are independent in origin from the design patent laws, seek to prevent the public from encountering confusion, mistake, and deception in the purchase of goods and services and to protect the integrity of the trademark owner's product identity. With that distinction in mind, this court decided that the public interest -- protection from confusion, mistake, and deception in the purchase of goods and services -- must prevail over any alleged extension of design patent rights, when a trademark is non-functional and does in fact serve as a means to distinguish the goods of the trademark owner from those of others.

We do not believe, as is urged by the solicitor, that the Singer, Kellogg and Scott Paper decisions require a different result than that reached by us in Mogen David. In those cases the Supreme Court was concerned not with non-functional features of expired design patents, but rather functional features of utility patents and whether or not the public domain acquired the subject matter of those utility

patents upon their expiration. However, the solicitor submits that the principle of Kellogg is also applicable to design patents insofar as the Kellogg Company, in addition to its utility patents, at one time had a design patent on the pillow-shape of its shredded wheat biscuit.

But in view of the Court's analysis of the pillow-shape of the design patent, the mere existence of the design patent does not compel the result urged by the solicitor. With respect to preserving the public right to copy the pillow-shape, the Court relied heavily upon the fact that the patented machines could only produce shredded wheat biscuits in the pillow-shape.

The Court further stated that:

> * * * the pillow-shape must be [permitted to be] used [by others than Kellogg] for another reason. The evidence is persuasive that this form is functional -- that the cost of the biscuit would be increased and its high quality lessened if some other form were substituted for the pillow-shape. [Emphasis supplied.]

That analysis was not predicated upon the mere fact that the pillow-shape was claimed in a design patent, but rather that the pillow-shape was a functional feature which was the necessary result of following the teachings of the utility patent. Therefore, the functional pillow-shape went into the public domain upon the expiration of the patents. The analysis is precisely the same as that found in the decisions of this court, e.g., In re Shakespeare Company, supra,

wherein federal trademark rights were also denied for functional features.

Furthermore, in Kellogg the asserted trademark rights in the name "Shredded Wheat" were, in essence, denied protection, not because of the expired patents, but rather because the name had become a generic name for the product, which could thus no longer indicate the origin of the goods and serve as a trademark for the goods. The Court stated:

> [t]he plaintiff has no exclusive right to the use of the term "Shredded Wheat" as a trade name. For that is the generic term of the article, which describes it with a fair degree of accuracy; and is the term by which the biscuit in pillow-shaped form is generally known by the public. Since the term is generic, the original maker of the product acquired no exclusive right to use it.

Likewise, in Singer, the Court found the involved trademark to be a generic description of the sewing machines sold under the trademark.

For the foregoing reasons, we believe that the Kellogg, Singer and Scott Paper decisions cannot be properly construed to be applicable to the situation of Mogen David, wherein trademark rights were sought for non-functional features which were the subject matter of a design patent. Nor do we believe that the language of the opinions in Sears, Roebuck & Company v. Stiffel Co., 376 U.S. 225 (1964), and Compco Corp. v. Day-Brite Lighting, Inc., 376 U.S. 234 (1964), which were concerned with the conflict

between a state's law of unfair competition and the federal patent law, is pertinent to the present issue of registrability for federal trademark protection.

Because the board's decision rested upon the erroneous view that a conflict existed between design patent rights and the right to register a trademark, no useful purpose would be served by a discussion of the solicitor's other contentions, including those directed toward the board' distinguishing Mogen David from the instant case, since those contentions in essence stem from that same erroneous view.

CONCLUSION

In view of the foregoing, we hold that the board erred, as a matter of law, in its reasons for refusing registration of appellant's configuration as a trademark for thermostats. Because the board did not express any views on the functionality reasoning relied upon by the examiner, we believe it should be provided an opportunity to do so.

The case is remanded to the Trademark Trial and Appeal Board for further proceedings not inconsistent with this opinion.

REMANDED

PA 8994

UNITED STATES COURT OF CUSTOMS AND PATENT APPEALS

IN THE MATTER OF THE APPLICATION	) Patent Appeal No.	8994.
	)	
OF	)	
	)	
HONEYWELL, INC.	) Serial No.	306,776.

RICH, Judge, concurring.

While I agree with the remand of this case to the board for its views on the examiner's functionality rejection, without any decision by us on the merits at this time, I am constrained to concur only in that result because of some of what the majority opinion says.

I do, however, fully agree with the majority opinion's views on the jurisdictional, or reason of appeal, issue.

I also fully agree with its disapproval of the board's reasoning and I adhere to all that we said in our 1964 Mogen David opinion.

The majority opinion states that the remand is to give the board an "opportunity" to express its views on "the functionality reasoning relied upon by the examiner."

What is meant by "the functionality reasoning" of the examiner is not too clear. In his Answer, the examiner reasoned in various ways. He held that what is sought to be registered is "incapable of performing the function of a trademark"; that it "comprises merely the basic, circular shape of the thermostat"; that "the details claimed as a mark are merely circular bands, dictated by the shape of the instrument"; that they are "without such distinguishing characteristics as to function as a trademark"; that it "is merely the configuration of the goods"; that it "is basically functional in nature"; that it is "not capable of indicating origin or serving as a trademark"; that "only de facto secondary meaning, if any, has been acquired"; that it "is so fundamentally functional and utilitarian that the matter applied for is incapable of acquiring a legally recognizable secondary meaning or of becoming an enforceable trademark"; and that "the shape is in essence utilitarian."

The examiner relied on the preamble to Sec. 2 of the Trademark Act (15 USC 1052) and on Sec. 45 (15 USC 1127), presumably the definition therein of "Trademark." He also relied on In re Deister Concentrator Co., 48 CCPA 952, 289 F.2d 496, 129 USPQ 314 (1961), as involving "just such a situation" as this case presents.

I deem all of the foregoing to be encompassed by the term, "the functionality reasoning."

Because the board -- although it has already had the "opportunity to do so", -- chose not to discuss or rely on any of the foregoing reasoning of the examiner in affirming his rejection, the appeal to us was virtually based only on the board's own design patent expiration ground and the parties therefore did not brief the "functionality" question. All appellant's brief says on the subject is that there is no "functionality" issue here and then makes the bald assertion:

> It is Honeywell's position that the trademark elements are so clearly non-functional as to be self-evident to the court.

If the case had come here with a "functionality" issue in it and that issue had been briefed, I would feel that, since it is a question of law, we should decide it now and not remand. But, in the present posture of the case, I think the board should be required to state the extent, if any, of its agreement with the examiner's views so that appellant can then fully brief this issue on the basis of a board decision and the Solicitor can respond thereto. I regard the non-functionality urged by appellant as anything but "self-evident."

I further regard the so-called "functionality reasoning" of the examiner as involving distinct questions: (1) Is the subject matter sought to be registered a "trademark" within the meaning of the statute? (2) In what way is that subject

matter functional or utilitarian, factually or legally? (3) Following Diester-type reasoning, if there is de facto "secondary" meaning, because no competitors are making "little round" thermostats, should it be given de jure recognition which would prevent them from doing so?

With respect to appellant's contention that what is sought to be registered is merely "a portion of the configuration of a thermostat cover," (my emphasis) I call attention to appellant's own application description reading:

> The trademark * * * consists * * * of the * * * combination of an outer cover ring of a thermostat and a center disc positioned concentrically within said ring, said ring and disc comprising a portion of the configuration of a thermostat. (My emphasis.)

The application drawing shows the disc to be transparent and the specimen shows it as a rotatable control dial serving as a window through which a thermostat scale and a temperature setting scale are visible. These are not merely parts of a cover. On this point, I note the board's statement, made in the course of its attempt to distinguish Mogen David, that appellant "is seeking to register the design of the product for the product itself." The product is a thermostat. The design constitutes the appearance of practically the entire visible portion of an object commonly known as a thermostat.

I think it appropriate to point out for consideration the fact that functionality, ornamental appearance, and good industrial design are matters which are closely intermingled. The very best of modern product design has long been called "functional design." See, for example, the definitions of "functional" and "functionalism" in The Random House Dictionary of the English Language (1967) and in Webster's Third New International Dictionary.

I discussed at great length the principles which I see as applicable to this case thirteen years ago in Deister. As to the board's action in the present case, I advert to the statement in Deister that "we are not seriously concerned with whether he who claims trademark rights of unlimited duration now has or did have patent protection, or what that protection was." I also discussed how we must go about determining when subject matter such as that here involved will be regarded as a trademark, when it will not, and why it will not. But these are points on which, as related to the facts of this case, which differ from Deister facts, we should be briefed before we decide on registrability.

APPENDIX B

United States Court of Customs and Patent Appeals

SOLICITOR

1 - 1974

U.S. PATENT OFFICE

Mandate

No. 8994

In the Matter of the Application

of

Honeywell, Inc.

Serial No. 306,776

ON APPEAL from the Trademark Trial and Appeal Board

THIS CAUSE having been heard and considered, it is
ORDERED and ADJUDGED: the case be remanded to the Trademark Trial and Appeal Board for further proceedings not inconsistent with the opinion.

DATED May 23, 1974

APPENDIX C

Hearing:
December 3, 1970

DLC
Paper No. 11

U. S. DEPARTMENT OF COMMERCE
PATENT OFFICE

Trademark Trial and Appeal Board

In re Application of
Honeywell Inc.

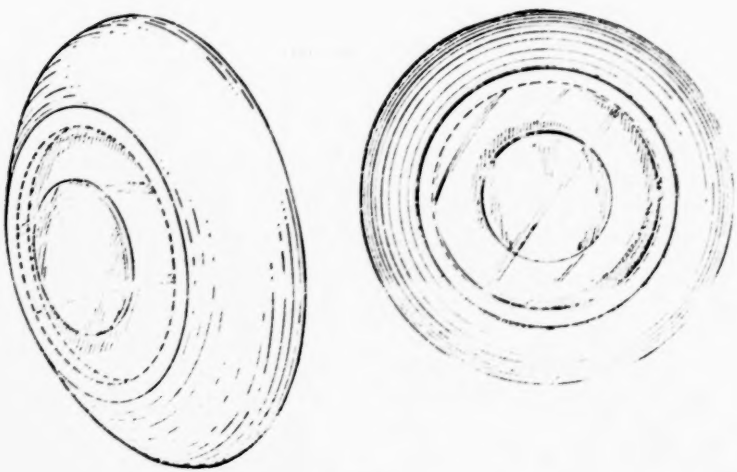
Serial No. 306,776

LeRoy M. Rice for applicant.

Before Leach, Waldstreicher, and Lefkowitz, Members.

Opinion by Lefkowitz, Member:

An application has been filed by Honeywell Inc. to register the following on the Principal Register as a trademark for thermostats, use of the mark since 1952 being alleged.



The mark is described in the application as consisting of

> "....the arbitrary and unique combination of an outer cover ring of a thermostat and a center disk positioned concentrically within said ring, said ring and disk comprising a portion of the configuration of a thermostat".

It is alleged in the application that the mark has become distinctive of applicant's goods as a result of exclusive and continuous use in interstate commerce for a period of more than fifteen years next preceding the date of filing of this application on September 6, 1968. Applicant has also introduced evidence in support of its claim of distinctiveness.

Registration has been refused on the ground that the design sought to be registered is incapable of functioning as a trademark within the meaning of the statute.

Applicant has appealed.

It is the Examiner's position, broadly stated, that

> "....the matter comprises merely the basic, circular shape of the thermostat, and the details claimed as a mark are merely circular bands, dictated by the shape of the instrument, which are either primarily functional or ornamental in nature, and are without such distinguishing characteristics as to function as a trademark".

Specifically, the Examiner urges, inter alia, that the subject matter of the application is merely a configuration of goods without distinguishing characteristics, and cannot function as a trademark; that the fact that applicant has secured a design patent covering the shape does not enhance applicant's attempt to secure trademark

protection for the same subject matter since it has been held that a configuration of goods, being covered by a design patent, cannot be registered as a trademark whether or not the design patent has expired; that the outer ring and center disk are merely functional in nature and dictated by the shape or configuration of the instrument itself; and that therefore being "so fundamentally functional and utilitarian", the matter sought to be registered is incapable of acquiring a legally recognized or de jure secondary meaning. The Examiner therefore did not consider applicant's evidence of secondary meaning in the design in question.

Applicant, on the other hand, argues that the configuration mark comprises a portion of the subject matter of its design Patent No. 176,657, and as such cannot be merely functional or else it would not be the proper subject matter for design patent protection; that the issuance of the design patent indicates the distinctive character of the configuration; that while applicant's configuration does obscure from view a portion of the thermostat mechanism, the operation of the thermostat is not dependent upon the presence of the configuration; that, as evidenced by other design patents issued to applicant, different cover configurations could be used in place of the circular outer cover ring on the identical thermostat thereby establishing that the design of the outer ring is not dictated by the configuration of the thermostat, per se, and is certainly not dictated by merely functional considerations; and that the Examiner's assertion that a configuration

of goods, covered by a design patent, cannot be registered as a trademark whether or not the design patent has expired, is not in accord with the decision in In re Mogen David Wine Corporation, 140 USPQ 575 (CCPA, 1964) which held that design patent rights and trademark rights may exist in the same subject matter and such rights exist independently of one another. Hence, applicant asserts that since the configuration is not merely functional and applicant's exhibits of advertisements, promotional material, and customer affidavits show use of the configuration as a trademark and resultant secondary meaning or consumer recognition thereof as denoting origin of the goods exclusively with applicant, it is entitled to the registration sought.

According to evidence adduced by applicant, United States design Patent No. Des. 176,657, issued January 17, 1956 for a term of fourteen years to Minneapolis-Honeywell Regulator Company (by change of name to Honeywell Inc., applicant herein). The protection granted to applicant by this patent covers "The ornamental design for a control instrument, substantially as shown" in the patent drawing. The control instrument design depicted by the drawing in the patent is substantially identical to that sought to be registered by applicant as a trademark. It is assertedly the earliest commercial model of applicant's thermostat which has, over the years, been advertised and generally referred to as the "Honeywell round". In this regard, applicant has introduced flyers, brochures, copies of advertisements, from newspapers and such publications as "Life", "American

ome", "Business World", "Time", "Reader's Digest", and "Domestic Engineering", and similar material which contain pictures of the entire thermostat, which include the feature sought to be registered and the calibrated scale featuring applicant's "H" and "HONEYWELL" trademarks. In a number of these documents, the thermostat is described as "Here's the World's Most Popular Thermostat For Home Heating and Cooling...THE HONEYWELL ROUND", "Ask for the Heating-Cooling Honeywell Round", "Continuing design improvements have made the Honeywell Round the world's most popular thermostat", "Round makes the world go", "So when you buy, build or remodel your home, go right, Go Round", "A new improved thermostat that matches any color scheme-the Honeywell Round", and "Don't just hate your antique thermostat...replace it with a Honeywell Round". Of record also are representative affidavits from sellers and buyers of applicant's goods which are to the effect that applicant is the only manufacturer of thermostatic devices, such as that shown in the subject application and depicted in applicant's design patent, "which have such unique, arbitrary and distinctive characteristics of appearance and design as to have become symbolic of the fact that such goods have their origin in a given source; namely, Honeywell Inc." irrespective of whether or not any verbalism or other identification appears on the thermostats; that applicant's thermostat is commonly referred to as the "HONEYWELL ROUND" thermostat; and that within each affiant's sphere of business activities, thermostats of this configuration are generally recognized as

having their origin in Honeywell Inc. Applicant has expended large sums in the advertising and promotion of the "Round" thermostat; and over twenty million such thermostats have been manufactured and sold by applicant through the years up to the filing of the subject application.

Apart from any consideration as to whether applicant's configuration is essentially functional in character because it is formulated or designed to cover a round thermostatic device and is so arranged that the essential operating and temperature controlling and indicating mechanisms are visible to the operator thereof, registration must be refused on the ground that the registration sought by applicant would extend the monopoly which the applicant has enjoyed for a period of fourteen years from the issuance of the design patent on January 17, 1956. Applicant's design patent, which expired during the pendency of the subject application, protected applicant for the fourteen year period against another's making, using or vending a control instrument including a thermostat utilizing the ornamental design disclosed therein, admittedly substantially identical to the subject matter of the instant trademark application. Under section 7(b) of the statute, a registration on the Principle Register affords the owner thereof, inter alia, prima facie evidence of the registrant's ownership of the mark and exclusive right to use the mark in commerce in connection with the goods recited therein, and hence by reason thereof, the right to exclude others from the use and registration of the same or a similar design

for similar goods during the life of the registration which is subject to renewal every twenty years. Since applicant's design patent expired in 1970, it is apparent that the issuance of a registration for the same subject matter, including the same mark and goods, would be inconsistent with the right of others under the terms of the patent grant to make fair use of the ornamental design for control instruments including thermostats after the expiration of the patent and that it would serve, in effect, to extend the protection accorded the patented design contrary to the purpose and intent of the patent law. See: In re The Deister Concentrator Company, Inc., 129 USPQ 314 (CCPA, 1961); In re Shakespeare Company, 129 USPQ 323 (CCPA, 1961); In re Shenango Ceramics, Inc., 150 USPQ 115 (CCPA, 1966); Best Lock Corporation v. Schlage Lock Company, 162 USPQ 552 (CCPA, 1969); and Kellogg Co. v. National Biscuit Co., 305 U. S. 111. In the last cited decision, the Supreme Court, in denying protection against copying the pillow-shaped form of the product after expiration of the patent, stated:

> "Sharing in the good will of an article unprotected by patent or trademark is the exercise of a right possessed by all--and in the free exercise of which the consuming public is deeply interested".

While we have refrained from considering the "functional" question raised by the Examiner, the principle of law which underlies the refusal to register "functional" marks applies equally to situations such as that involved herein. As the court indicated in the Deister case, supra,

> "The true basis of such holdings is not that they [the mark] cannot or do not indicate source to the purchasing public but that there is an overriding public policy of preventing their monopolization, of preserving the public right to copy".

Insofar as applicant's claim of distinctiveness or secondary meaning is concerned, a party cannot by advertising and other promotion means create exclusive trademark rights in something which cannot be monopolized under the law. This was aptly stated by the court in the Deister case, supra, as follows:

> "(3) Some trademarks are words or configurations which are protected because they have acquired a secondary meaning, but not every word or configuration that has de facto secondary meaning is protected as a trademark".

That is, "de facto secondary meaning" is a significance or recognition acquired in a word or device due to lack of competition or other happenstance, but which is insufficient to establish a proprietary or legal right therein sufficient to support registration. See also: J. Kohnstam, Ltd. v. Louis Marx & Company, Inc. et al., 126 USPQ 362 (CCPA, 1960); DeWalt, Inc. v. Magna Power Tool Corporation, 129 USPQ 275 (CCPA, 1961); Weiss Noodle Company v. Golden Cracknel & Specialty Company, 129 USPQ 411 (CCPA, 1961); In re Pollak Steel Company, 136 USPQ 651 (CCPA, 1963); In re G. D. Searle & Co., 149 USPQ 619 (CCPA, 1966); and In re Shakespeare Company, supra. In the instant case, the evidence tends to show only that due to the period in which applicant has been, because of its design patent, the only manufacturer of thermostats featuring the design covered

by the patent, some or even many people have come to associate thermostats of this design with applicant. However, considering that, with the expiration of the design patent, freedom to manufacture controls including thermostats in the particular design is a public right which cannot be interfered with by alleged trademark rights, applicant as the temporary exclusive user of said design cannot sequester the design to its own use or to extend its rights under the patent through the guise of a trademark registration.

The Mogen David case relied on by applicant is clearly distinguishable from the instant case in that the applicant was seeking to register the subject matter of the design patent, namely, the design or configuration of a bottle or container for a product contained therein, namely, wine and not for a bottle or container, per se, whereas here applicant is seeking to register the design of the product for the product itself.

Decision:

The refusal of registration is affirmed.

H. Leach

H. Waldstreicher

S. Lefkowitz

Members, Trademark
Trial and Appeal Board

U. S. GOVERNMENT PRINTING OFFICE : 1974 O - 561-511